

KENYA TEA INDUSTRY PERFORMANCE HIGHLIGHTS FOR APRIL 2024

PRODUCTION

Tea production for the month of April 2024 was higher by 4.36 Million Kgs from 49.49 Million Kgs recorded during the same period of last year to 53.85 Million Kgs. The increase in production for the month of April compared to the same month last year was attributable to high rainfall received over most parts of the country. Though April marks the peak of the Long Rains (March-April-May) season, most parts of the country experienced amounts of precipitation that was much more enhanced compared to the previous years (near-to-above average for the month). The rainfall was also characterized by incidences of severe storms over most parts of the country. During the month, highlands both in the West and East of the Rift Valley experienced rainfall throughout, with the East of the Rift Valley recording high intensity in first week.

Owing to enhanced rainfall, production in tea growing areas within the West of Rift Block was higher by 2.60 Million Kgs from 32.75 Million Kgs recorded in April 2023 to 35.35 Million Kgs. Similarly, in the East of Rift Block, the output was up by 1.75 Million Kgs from 16.74 Million Kgs to 18.49 Million Kgs. Consequent to good weather conditions both in the West and East of Rift Valley, the Smallholder Sub-sector under the Management of KTDA, recorded significant increase in production by 3.63 Million Kgs from 26.56 Million Kgs recorded during the corresponding month of 2023 to 30.20 Million Kgs.

Independent tea producers who majorly process Greenleaf delivered from small-scale farmers also recorded increased production by 0.935 Million Kgs from 10.79 Million Kgs to 11.72 Million Kgs. However, Plantation sub-sector output was marginally lower by 0.03 Million Kgs from 11.51 Million Kgs to 11.48 Million Kgs. Similarly, the volume of tea manufactured by Nyayo T. Zones was lower by 182,308 Kgs from 618,248 Kgs recorded in April year to 435,940 Kgs.

Cumulatively up to April, production for the year 2024 was higher by 54.98 Million Kgs from 167.62 Million Kgs recorded during the first four months of 2023 to 222.61 Million Kgs. Higher production was due to favourable weather conditions recorded during the first four months of the year coupled with the effects of fertilizer application.

Table 1: Production by Sub-Sector and Region (April 2024 vis-à-vis April 2023)

Sector	Block	Apr-24	Apr-23	Variance +/-	Var.(%)	Jan-April 2024	Jan-April 2023	Variance +/-	Var.(%)
Estates	West of Rift	11,207,695	11,336,807	- 129,112	-1.14%	48,156,538	38,898,349	9,258,189	23.80%
	East of Rift	275,872	177,997	97,875	54.99%	1,401,526	881,990	519,537	58.91%
	Total	11,483,567	11,514,804	- 31,237	-0.27%	49,558,064	39,780,339	9,777,726	24.58%
Smallholders-KTDA									
	West of Rift	13,632,920	11,343,575	2,289,345	20.18%	54,690,099	35,862,266	18,827,834	52.50%
	East of Rift	16,571,239	15,220,954	1,350,285	8.87%	68,425,676	51,264,629	17,161,047	33.48%
Independents	Total	30,204,159	26,564,529	3,639,630	13.70%	123,115,775	87,126,894	35,988,881	41.31%
	West of Rift	10,228,426	9,584,028	644,398	6.72%	41,633,837	34,652,657	6,981,180	20.15%
Nyayo T. Zones	East of Rift	1,500,686	1,209,782	290,904	24.05%	6,525,989	3,951,462	2,574,527	65.15%
	Total	11,729,112	10,793,810	935,302	8.67%	48,159,825	38,604,119	9,555,707	24.75%
Estates, Smallholder-KTDA, Independents & Nyayo Tea.Zones	West of Rift	290,384	485,766	- 195,382	-40.22%	1,123,500	1,638,716	- 515,216	-31.44%
	East of Rift	145,556	132,482	13,074	9.87%	657,225	479,575	177,650	37.04%
	Total	435,940	618,248	- 182,308	-29.49%	1,780,725	2,118,291	- 337,566	-15.94%

During the month of April, the volume of speciality teas produced was 362,444 Kgs, which represented 1% of the total production. Speciality teas were dominated by Orthodox teas at 93% (338,679 Kgs) and was largely produced by Plantation and Independents tea factories, respectively. The rest of speciality teas consisted of Green and Purple tea produced by the Cottage tea industries.

TEA SALES

AUCTION

During the month of April, auction sales volume for Kenya tea stood at 43.60 Million Kgs, which was lower compared to 51.75 Million kgs recorded during the corresponding month of last year. The average monthly auction price for Kenya tea was lower at 2.29 USD per Kg against 2.37 USD in the same period of last year. Lower average prices realized was on account of high number of invoices for particular garden marks offered for sale in the

reprints catalogue, which fetched discounted prices as compared to similar teas offered in the main catalogue.

However, prices of tea followed the quality, with well sorted grades and those with brighter liquors attracting more competitive bids and considerably higher prices while plainer categories across the grades attracted either less interest and thus discounted prices or no bid by the buyers and consequently constituted the highest proportion of teas on offer at the auction that were withdrawn.

During the month of April 2024, tea offered for sale by the smallholder tea factories managed by KTDA, whose quality is relatively higher fetched an average price of 2.80 USD per Kg for the main grades, compared to an average price of 2.67 USD in the same period of 2023 and 2.75 USD per Kg in March. Though there was generally good demand for tea offered at the auction, the prices continued to be impacted negatively by the effect of global economic shock experienced in most countries due to the Russia-Ukraine crisis and increasing supply of tea occasioned by good weather conditions and application of fertilizer. Additionally, demand for tea in countries dominated by Muslim religion was also affected by the fasting period of Ramadan, which was observed during the month.

Table 2: Auction Sales (2024 vis-à-vis 2023)

	2024		2023		Variance.			
	Vol. M. Kgs	Value (USD/KG)	Vol. M. Kgs	Value (USD/KG)	Vol.	%	Value	%
JAN.	42.48	2.19	61.25	2.30	-18.76	-31%	-0.11	-5%
FEB.	39.11	2.23	53.21	2.34	-14.10	-26%	-0.11	-26%
MARCH	42.35	2.15	43.72	2.39	-1.37	-3.1%	-0.23	-10%
APRIL	43.60	2.29	51.75	2.37	-8.15	-16%	-0.08	-3%

EXPORTS

The total export volume for the month of April 2024 was higher by 55% (19.28 Million Kgs) from 35.15 Million Kgs recorded in the same period of last year to 54.44 Million Kgs. It was also higher compared to 54.34 Million Kgs exported during the month of March 2024. Higher export volume was attributed to more shipment of tea in the traditional and emerging markets. During the month, Kenya tea was shipped to fifty-three (53) export destinations compared to forty-four (44) for the same period of last year. Pakistan maintained the leading export destination for Kenya tea having imported 21.64 Million Kgs, accounting for 40% of the total export volume.

Other key export destinations for Kenya tea were Egypt (6.58 Million Kgs); UK (4.87 Million Kgs); UAE (2.99 Million Kgs); Russia (2.64 Million Kgs); Saudi Arabia (1.96 Million

Kgs); Yemen (1.73 Million Kgs); Iran (1.56 Million Kgs); Chad (1.12 Million Kgs); and Poland (0.97 Million Kgs). The top ten export destinations, majority of which are traditional markets for Kenya tea accounted for 85% of Kenya tea export volume. All these markets recorded significant increase in imports for Kenya tea. Notably, Chad took the 9th position having recently emerged as a key market for Kenya tea and recording consistent increase in exports from Kenya. Chad is now importing directly from Kenya and using alternative transhipment routes such as Nigeria and Cameroon due to internal conflict in Sudan. Just like Chad, South Sudan is also rapidly growing as an emerging market for Kenya tea.

Similar to the traditional markets, most of the other emerging markets recorded higher imports apart from Jordan; Malaysia; Turkey; Qatar; Afghanistan; Canada; Germany; Ghana and Mali. There were also shipments to emerging and seasonal markets such as Netherlands; Kyrgyzstan; Iraq; Uzbekistan; Vietnam; Australia; Zambia; Azerbaijan; Senegal; Malta; Bahrain; Mexico; And Spain.

A notable emerging challenge to market access is the attacks on vessels by Yemen Terrorist group leading to disruption of shipping route through the Red Sea. In response to the attack, several shipping lines have suspended operations through the Red Sea waterway and are now using the route through the Southern tip of Africa. As a result, the shipment time and costs from the Port of Mombasa to other destinations have increased.

During the month of April, value added tea exports amounted to 933,472 Million Kgs, which represented 2% of the total exported volume. The exports in value added form were shipped to eighteen (18) market destinations which included United Kingdom; Oman; Yemen; Sudan; USA; Somalia; Ireland; South Sudan; Côte d'Ivoire; Chad; Malaysia; Mali; Malta; India; Germany; Singapore; UAE; and Australia. Out of the total exports of value-added tea, United Kingdom accounted for the highest volume at 22% and was followed by Oman and Yemen, which accounted for 18% and 17%, respectively. Other significant importers of value-added teas included Sudan; USA; and Somalia.

LOCAL TEA SALES

Local tea sales for April 2024 was higher at 3.22 Million Kgs against 2.56 Million Kgs in April 2023 and 2.44 Million Kgs recorded during the corresponding month of 2022. Similarly, cumulative tea sales for the first four months of 2024 was much higher at 12.29 Million Kgs against 11.47 Million Kgs for the same period of 2023.

Table 3: Kenya Tea Exports by Destination (APRIL 2024 vis-à-vis APRIL 2023)

DESTINATION	2024- QUANTITY KGS	2023- QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	21,641,140	11,769,599	9,871,540	84%
EGYPT	6,581,380	3,767,489	2,813,891	75%
UNITED KINGDOM	4,873,102	4,647,799	225,302	5%
UNITED ARAB EMIRATES	2,995,231	2,771,999	223,231	8%
RUSSIA	2,642,792	1,967,180	675,612	34%
SAUDI ARABIA	1,969,316	954,349	1,014,966	106%
YEMEN	1,735,096	678,098	1,056,998	156%
IRAN	1,565,280	681,104	884,176	130%
CHAD	1,129,950		1,129,950	
POLAND	970,152	907,611	62,541	7%
KAZAKHSTAN	875,801	182,187	693,613	381%
SUDAN	807,399	887,641	-80,242	-9%
INDIA	743,319	299,205	444,113	148%
SWITZERLAND	653,223	203,375	449,847	221%
NIGERIA	634,584	196,550	438,033	223%
IRELAND	533,569	563,652	-30,083	-5%
CHINA	459,345	222,992	236,353	106%
SOMALIA	386,360	200,110	186,250	93%
JAPAN	306,479	40,192	266,286	663%
MALAYSIA	300,980	378,576	-77,597	-20%
SRI LANKA	299,021	47,516	251,504	529%
UNITED STATES	280,976	71,327	209,649	294%
UKRAINE	272,052	42,908	229,144	534%
SOUTH AFRICA	181,818	55,628	126,190	227%
TURKEY	173,399	202,943	-29,544	-15%
QATAR	162,104	202,317	-40,214	-20%
AFGHANISTAN	152,235	763,322	-611,088	-80%
NETHERLANDS	146,247		146,247	
OMAN	135,959	134,995	964	1%
CANADA	109,281	202,881	-93,600	-46%
TAIWAN	81,663	71,977	9,685	13%
MAURITIUS	67,887	2,174	65,713	3023%
GERMANY	67,037	127,169	-60,132	-47%
SOUTH SUDAN	52,739	43,671	9,067	21%
KYRGYZSTAN	47,887		47,887	
COTE D'IVOIRE	45,869	22,737	23,131	102%
IRAQ	35,731		35,731	
UZBEKISTAN	32,847		32,847	
VIET NAM	30,899		30,899	
GHANA	30,087	40,866	-10,780	-26%
TANZANIA	28,059	36,763	-8,704	-24%
AUSTRALIA	26,812		26,812	
ZAMBIA	26,727		26,727	
AZERBAIJAN	25,887		25,887	
HONG KONG	24,567	16,610	7,956	48%
MALI	17,409	30,317	-12,908	-43%
SENEGAL	17,409		17,409	
SINGAPORE	14,822	27,684	-12,862	-46%
MALTA	12,173		12,173	
BAHRAIN	12,007		12,007	

MEXICO	10,887		10,887	
SPAIN	10,887		10,887	
ITALY	6,487	6,738	-251	-4%
INDONESIA		3,808	-3,808	-100%
ISRAEL		4,424	-4,424	-100%
JORDAN		1,610,795	-1,610,795	-100%
MYANMAR		46,775	-46,775	-100%
NEW ZEALAND		19,862	-19,862	-100%
TOTAL	54,444,346	35,155,915	19,288,431	55%

Table 4: Kenya Tea Exports by Destination (Jan.- APRIL 2024 vis-à-vis Jan.- APRIL 2023)

DESTINATION	2024- QUANTITY KGS	2023 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	72,459,130	51,159,267	21,299,863	42%
EGYPT	33,830,461	28,125,455	5,705,006	20%
UNITED KINGDOM	22,919,393	18,081,184	4,838,209	27%
UAE	12,294,450	9,728,426	2,566,024	26%
RUSSIA	8,905,682	6,644,077	2,261,605	34%
SAUDI ARABIA	7,622,940	3,330,345	4,292,595	129%
YEMEN	5,716,802	7,217,985	-1,501,183	-21%
IRAN	5,062,389	7,826,167	-2,763,778	-35%
CHAD	4,027,469		4,027,469	
POLAND	3,688,022	2,116,181	1,571,841	74%
SUDAN	3,191,984	3,993,800	-801,816	-20%
CHINA	2,635,474	656,131	1,979,343	302%
IRELAND	2,554,107	2,162,862	391,245	18%
INDIA	2,517,096	1,458,855	1,058,241	73%
SOMALIA	2,249,772	906,856	1,342,916	148%
KAZAKHSTAN	2,239,351	2,289,110	-49,759	-2%
SWITZERLAND	2,219,352	1,421,206	798,146	56%
UKRAINE	1,644,828	911,008	733,820	81%
NIGERIA	1,536,531	938,998	597,533	64%
AFGHANISTAN	1,306,732	5,088,552	-3,781,820	-74%
USA	1,127,383	558,732	568,651	102%
OMAN	987,078	642,260	344,818	54%
NETHERLANDS	986,955	639,768	347,187	54%
SRI LANKA	900,728	402,810	497,918	124%
SOUTH AFRICA	896,120	427,398	468,722	110%
JAPAN	867,794	340,707	527,087	155%
MALAYSIA	859,823	785,906	73,917	9%
TURKEY	628,567	502,994	125,573	25%
QATAR	567,478	710,833	-143,355	-20%
GERMANY	512,667	488,091	24,576	5%
SOUTH SUDAN	493,400		493,400	
CANADA	304,986	442,864	-137,878	-31%
TAIWAN	193,896	266,489	-72,593	-27%
KYRGYZSTAN	180,940		180,940	
COTE D'IVOIRE	175,928	111,333	64,595	58%
MAURITIUS	160,000	87,076	72,924	84%
DJIBOUTI	128,265	169,784	-41,519	-24%
HONG KONG	117,508	112,529	4,979	4%
GHANA	107,464	54,940	52,524	96%
BURKINA FASO	103,492	107,800	-4,308	-4%
VIETNAM	83,607	134	83,473	62289%
ETHIOPIA	79,828		79,828	
PERU	74,400	368,436	-294,036	-80%
AUSTRALIA	73,425	3,170	70,255	2216%

IRAQ	70,083		70,083	
UZBEKISTAN	65,800	166,666	-100,866	-61%
SINGAPORE	54,267	95,362	-41,095	-43%
ZAMBIA	49,680	34,234	15,446	45%
KENYA	47,842		47,842	
SPAIN	44,565	269,081	-224,516	-83%
AZERBAIJAN	42,360		42,360	
GEORGIA	42,050		42,050	
MALI	40,722	39,187	1,535	4%
MYANMAR	26,189	175,212	-149,023	-85%
TANZANIA	26,172	36,763	-10,591	-29%
NEW ZEALAND	25,880	19,059	6,821	36%
BAHRAIN	25,816	12,650	13,166	104%
ANGOLA	25,380		25,380	
ROMANIA	25,280	98,107	-72,827	-74%
CENTRAL AFRICAN REPUBLIC	24,218		24,218	
GUINEA	20,696	6,708	13,988	209%
ISRAEL	20,080	73,233	-53,153	-73%
MEXICO	18,000		18,000	
NIGER	15,522	26,570	-11,048	-42%
SENEGAL	15,522	20,124	-4,602	-23%
ITALY	13,800	19,551	-5,751	-29%
CYPRUS	10,286		10,286	
MALTA	10,286		10,286	
INDONESIA	5,200	127,092	-121,892	-96%
GABON	5,174		5,174	
BRAZIL	4,164	25,139	-20,975	-83%
KUWAIT	2,038		2,038	
SWAZILAND	778	1,072	-294	-27%
FRANCE	300	744	-444	-60%
CZECH REPUBLIC	200	130	70	54%
BANGLADESH		108,304	-108,304	-100%
BENIN		6,708	-6,708	-100%
CHILE		48,135	-48,135	-100%
CONGO DRC		23,990	-23,990	-100%
ERITREA		179,148	-179,148	-100%
JORDAN		3,436,317	-3,436,317	-100%
TOTAL	210,012,047	166,329,802	43,682,245	26%